



## International Agricultural Trade Report

### *Dairy Livestock & Poultry Trade Update*

*June 19, 2002*

#### **Sixteen Years of U.S. Meat Export Gains End**

##### **Summary:**

Total calendar 2002 U.S. meat exports are forecast to fall year-to-year for the first time since 1985. This fall is primarily attributed to a pullback in poultry exports, which are currently forecast to drop 11 percent from the previous year's record level. Total U.S. meat exports are anticipated to recover in 2003, but are still forecast slightly below the 2001 record level.

##### **Poultry:**

U.S. poultry exports for 2002 are projected at 2.5 million tons, an 11-percent decrease from the record level of the previous year (2.8 million tons). Poultry exports are almost exclusively comprised of broiler parts exports. Declining export prospects are mainly attributed to the extended trade disruptions with Russia, the largest market for U.S. broilers. In addition, lower than expected exports to China and Hong Kong have contributed to the decline in export projections. For 2003, poultry exports are forecast at just under 2.8 million tons.

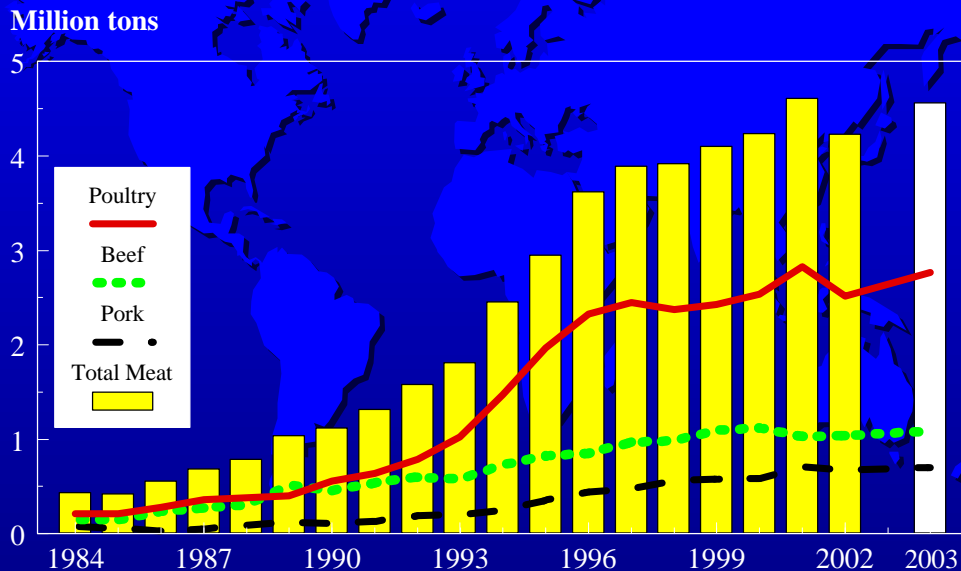
##### **Beef:**

U.S. beef exports for 2002 are projected at 1.0 million tons (cwe). U.S. beef exports have remained between 1.0 and 1.1 million tons since 1999, reaching record levels in 2000. The outbreak of Bovine Spongiform Encephalopathy (BSE) in Japan, our largest beef export market, in September 2001 has significantly reduced demand for beef into early 2002. Increased demand for less expensive pork and poultry cuts by Japan is expected to also constrain beef exports to that market in 2002. However, for 2003, beef exports are forecast to increase to 1.1 million tons, as exports to Korea and Mexico remain strong.

##### **Pork:**

U.S. pork exports for 2002 are projected at 674,000 tons (cwe), a 5-percent decrease from the record level set the previous year. During 2001, the United States exported 709,000 tons, on expanded shipments to Japan and Mexico. In Japan, the U.S. was able to capitalize on the EU's temporary market absence due to Foot-and-Mouth Disease. U.S. pork exports for 2003 are forecast to increase from the previous year, nearly reaching 2001 record levels. U.S. pork exports are facing increasing competition as the EU reestablishes its international market presence and Brazil continues to broaden its export base, especially to Russia.

## Total US Meat Exports Forecast to Fall for the First Time Since 1985, Pulled Down by Reduced Poultry Exports to Russia; 2003 Recovery Is Projected by USDA



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